

**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

TO: GIGAPIX STUDIOS, INC.
OZ3D LLC
CHRISTOPHER BLAUVELT
GREG PUSATERI
9333 Oso Ave.
Chatsworth, CA 91311
and
4111 Lankershim Blvd.
North Hollywood, CA 91602

DESIST AND REFRAIN ORDER

(For violations of sections 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times herein, Gigapix Studios, Inc. ("Gigapix") was a California corporation with its primary place of business at 9333 Oso Ave., Chatsworth, CA 91311.
2. At all relevant times herein, OZ3D LLC ("OZ3D") was a Nevada limited liability company with its primary place of business at 4111 Lankershim Blvd., North Hollywood, CA 91602.
3. At all relevant times herein, Christopher Blauvelt ("Blauvelt") was Chairman and CEO of Gigapix and a managing member of OZ3D.
4. At all relevant times herein, Greg Pusateri ("Pusateri") was an agent of Gigapix and OZ3D, soliciting investors.
5. In 2007, Gigapix, through Pusateri, cold called at least two California investors and offered securities to the investors in the form of Units, consisting of one share of Gigapix Common Stock and one Warrant that entitles the holder to purchase one share of Gigapix Common Stock for \$1.00 per share and expires on July 31, 2012.
6. In 2008, Gigapix also mailed out investor materials to prospective investors which consists of promotional materials concerning upcoming movie productions, a subscription agreement, a private placement memorandum, and a letter personally signed by Blauvelt which sets forth Gigapix's securities offering, previously mentioned in paragraph 5.

1 7. In 2008, OZ3D, through Pusateri, cold called at least two California investors and
2 solicited investments in OZ3D in exchange for a portion of residuals from future sales of DVDs and
3 toys sold in connection with an upcoming OZ3D animated production of “The Wizard of Oz”.

4 8. In connection with the offer and sale of these securities, Gigapix, OZ3D, Blauvelt, or
5 Pusateri, made, or caused to be made, misrepresentations of material fact or omitted to state material
6 facts necessary in order to make the statements made, in the light of the circumstances under which
7 they were made, not misleading. These misrepresentations and omissions included, but are not
8 limited to the following:

9 (a) Gigapix, OZ3D, Blauvelt, and Pusateri omitted to inform investors that the
10 State of Wisconsin, Division of Securities, issued an Order of Prohibition against Gigapix and
11 Blauvelt in 2005, prohibiting Gigapix and Blauvelt from offering securities to citizens in the State of
12 Wisconsin without obtaining a license.

13 (b) Gigapix misrepresented to investors that the Private Placement Memorandum
14 sent to prospective investors contained no misrepresentations or omissions of material fact when in
15 fact Gigapix omitted to inform investors in the Private Placement Memorandum that the State of
16 Wisconsin, Division of Securities, issued an Order of Prohibition against Gigapix and Blauvelt in
17 2005, prohibiting Gigapix and Blauvelt from offering securities to citizens in the State of Wisconsin
18 without obtaining a license.

19 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
20 that the securities in the forms of Units that are equivalent to one share of Gigapix Common Stock
21 and one Warrant that entitles the holder to purchase one share of Gigapix Common Stock for \$1.00
22 per share, offered and sold by Gigapix, Pusateri, and Blauvelt, and investment contracts in the form
23 of portions of residuals from DVD and toy sales in connection with an upcoming OZ3D animated
24 production of “The Wizard of Oz,” offered and sold by OZ3D, Pusateri, and Blauvelt, are securities
25 subject to qualification under the California Corporate Securities Law of 1968 and are being or have
26 been offered and sold without being qualified, in violation of Section 25110 of the Corporate
27 Securities Law of 1968.

28 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Gigapix Studios, Inc.,
OZ3D LLC, Greg Pusateri, and Christopher Blauvelt are hereby ordered to desist and refrain from the

1 further offer or sale in the State of California of securities, including but not limited to, the Units,
2 consisting of stocks and warrants, and investment contracts in the form of portions of residuals as
3 stated above, unless and until qualification has been made under this law or unless exempt.

4 Further, the California Corporations Commissioner is of the opinion that the securities offered
5 by Gigapix Studios, Inc., OZ3D LLC, Greg Pusateri, and Christopher Blauvelt were offered in this
6 state by means of written or oral communications that included untrue statements of material fact or
7 omitted to state material facts necessary in order to make the statements made, in the light of the
8 circumstances under which they were made, not misleading, in violation of section 25401 of the
9 Corporate Securities Law of 1968.

10 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Gigapix Studios, Inc.,
11 OZ3D LLC, Greg Pusateri, and Christopher Blauvelt are hereby ordered to desist and refrain from
12 offering or selling or buying or offering to buy any security in the State of California, including but
13 not limited to, the Units, consisting of stocks and warrants, and investment contracts in the form of
14 portion of residuals as stated above, by means of any written or oral communication which includes
15 an untrue statement of a material fact or omits to state a material fact necessary in order to make the
16 statements made, in the light of the circumstances under which they were made, not misleading.

17 This Order is necessary, in the public interest, for the protection of investors and consistent
18 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

19 Dated: April 8, 2009
20 Los Angeles, California

21 PRESTON DuFAUCHARD
22 California Corporations Commissioner

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24 By: _____
25 ALAN S. WEINGER
26 Acting Deputy Commissioner
27 Enforcement Division
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